

Budget Unit Brief

FY 2017



Teacher Shortage Loan Forgiveness Program

Eligibility

The Teacher Shortage Loan Forgiveness Program offers loan repayment assistance to teachers that meet the following eligibility criteria:

- A fully licensed teacher whose first teaching position in Iowa began no earlier than July 1, 2007.
- Teaching in a shortage subject area identified annually by the Department of Education.
- Owe a balance on an eligible federal student loan.
- In good standing with all federal student loan accounts.

Awards

The maximum annual award is 20.0% of the recipient's total eligible federal student loan balance, including principal and interest. The maximum award cannot exceed the annual average resident tuition rate established for the Regents universities for the first year following the recipient's graduation.

If funding is not sufficient to meet the needs of all eligible recipients, awards are prioritized based on the following criteria:

- Those seeking annual renewal of a previous award.
- Those teaching in the highest need shortage areas, as ranked by the Department of Education.
- Those who are currently Iowa residents.
- Those teaching full-time.
- Those with the greatest total indebtedness.
- By earliest date of application.

Funding

The program receives an annual General Fund appropriation. Since FY 2008, the annual appropriation has been in the range of \$392,000 to \$485,000.

Related Statutes and Administrative Rules

Iowa Code section [261.112](#)

[283](#) Iowa Administrative Code chapter [35](#)

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More Information

College Student Aid Commission: <http://www.iowacollegeaid.gov/index.html>

Iowa General Assembly: <https://www.legis.iowa.gov/>

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